Home sales off to a fast start in 2015

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SENECA — The first month of 2015 is in the books for real estate professionals, and the positive numbers are in line with the upbeat predictions many were making heading into the new year.

Right off the gate real estate agents in the Western Upstate market, which includes Anderson, Oconee and Pickens counties, closed on 224 homes in January, an increase of 13.7 percent over sales posted in January 2014.

The local numbers mirror statewide activity, according to January market information recently released by South Carolina Realtors.

Nick Kremydas, SCR chief executive officer, said the newly released numbers show "a continuation of last year's trend of more sellers putting their homes on the market for a higher price."

Kremydas said new listings throughout the state were up 1.8 percent to 9,119, and pending sales increased almost 10 percent to 5,046.

"Prices moved higher as the median sales price was up 1.8 percent to $156,700," Kremydas added.

The median sales price, which is the point where half of the homes sold for more and the other half for less, shot up 13.8 percent to $145,700 last month in the Western Upstate market area. In January 2014 the median sales price in the tri-county market stood at $128,000.

Lawrence Yun, chief economist with the National Association of Realtors, is not surprised by the positive trend. Yun predicted that existing home sales would rise by 7 percent in 2015.

Yun said the positive signs in the real estate market are driven by "a strengthening economy, solid job gains and a healthy increase in home prices." He and other economists expect those driving factors to benefit home sales throughout the year.

'Home prices have risen ... which boosts confidence in the market and traditionally gives current homeowners the ability to use their equity buildup as a down payment toward their next home purchase.'

Lawrence Yun
Economist

"Home prices have risen for the past three years cumulatively about 25 percent, which boosts confidence in the market and traditionally gives current homeowners the ability to use their equity buildup as a down payment toward their next home purchase," Yun said.

Kremydas said a greater recovery would be taking place in the housing market if not for sluggish wage growth, lack of sufficient mortgage liquidity and a high number of potential young homebuyers saddled with student debt.

Nonetheless, Kremydas expects low interest rates, mortgage forgiveness and the preservation of interest deduction as incentives to encourage more consumers to choose buying a home over renting.

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